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DE RUEHAC #0837 3511939
ZNR UUUUU ZZH
O 161939Z DEC 08
FM AMEMBASSY ASUNCION
TO RUEHC/SECSTATE WASHDC IMMEDIATE 7454
INFO RUCNMER/MERCOSUR COLLECTIVE PRIORITY

UNCLAS ASUNCION 000837

SENSITIVE
SIPDIS

TO WHA/BSC MDASCHBACH, BFRIEDMAN, MDRUCKER

E.O. 12958: N/A
TAGS: [PGOV](#) [ECON](#) [PA](#)
SUBJECT: TRACTORAZO - AGRO-BUSINESS SECTOR UNITES

1. (SBU) Lining up tractors, tractor trailers, automobiles, and motorcycles along 1,000 kilometers of Paraguay's highways, 30,000-50,000 representatives of the country's agro-business sector protested in favor of jobs and security December 15-16 in 13 of Paraguay's 17 departments. The United Unions of Production organized the event with support from ranchers, cooperatives, industry owners, meat producers, and agriculture and wood exporters. Organizers hoped the protest would spark a dialogue with the government on land issues in order to ensure the country's productive capacity. The protest, concentrated in the country's interior, will conclude late December 16 with a music festival in downtown Asuncion.

2. (SBU) Campesino leaders opposed the protest, dubbed the "tractor rally" ("tractorazo" in Spanish), alleging that the productive sector wants to continue enjoying its preferential status, "poisoning" the country with toxic agro chemicals and destroying the environment. They stated that they were closely following the protest and were ready to "defend" Paraguay's democratic process if the protest blocked the country's roads. High-level GOP officials said the protesters were free to exercise their rights within the framework of the law. To date, the protest has been peaceful; no roads have been closed.

3. (SBU) COMMENT: The fourth event of its kind since 1999 (with others in 1999, 2001 and 2002), President Lugo's supporters have cast the "tractorazo" as a call for jobs and security consistent with Lugo's goals; the president's critics claim the event aims to express frustration with Lugo's lack of progress. In light of continuing concerns about campesino land invasions, Paraguay's agro-business sector is expressing its political power via this demonstration, and is reminding the Lugo administration not to overlook the sector as the GOP begins to address land and tax reform. END COMMENT.

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